

EXHIBIT 12

UNITED STATES DISTRICT COURT

DISTRICT OF NEW JERSEY

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PATRICK BRADY, et al.,)

Plaintiffs,)

V.)

CASE NO.

) 02-2917-JEI

AIR LINE PILOTS ASSOCIATION,)

INTERNATIONAL,)

Defendant.)

- - - - -

VIDEOTAPED DEPOSITION OF SCOTT SCHWARTZ

FRIDAY, JANUARY 25, 2013

1 And your answer was (as read): "Our view
2 is, worst case, we would have survived two
3 or three months; best case, we could have
4 survived to the next winter, but not through
5 the next winter."

6 Was that true when you said it in March --

7 A. It was.

8 Q. -- 2001?

9 And you still believe it to be true today?

10 A. Yes.

11 Q. Does the fact that September 11th happened
12 in the intervening period -- would that have impacted
13 your -- your thought for how long TWA could have
14 lasted?

15 A. Yes. I think it's speculative. But my view
16 is that 9/11 could have put the final nail in the
17 coffin for TWA, or it could have been good in the
18 sense that it could have provided -- there might have
19 been government moneys that could have been available
20 to keep the airline going longer.

21 Q. And then looking to line 18 of the same
22 page, the question was: "Would the self-help plan
23 have made TWA profitable?"

24 And your response was: "No way."

25 A. That's correct.

1 question that was posed to you:

2 "Does ALPA believe that a stand-alone plan
3 of reorganization for TWA can succeed?"

4 And your answer: "No, we don't."

5 A. That's correct.

6 Q. Was that correct at the time?

7 A. Yes.

8 Q. And correct today?

9 A. Yes.

10 Q. Why didn't you believe that a stand-alone
11 plan could succeed?

12 A. Well, I believed that all the stand-alone
13 plans that we looked at, all the nontransactional
14 plans that we looked at would have kept TWA in
15 business for some period of time, whether it be
16 months or years. But it wouldn't have been a
17 holistic solution to the pilot group's problem, and
18 that was continued employment. I looked at the
19 American transaction as a solution to keep the pilot
20 group employed indefinitely.

21 So while I thought the stand-alone plans
22 wouldn't succeed long term, they may have kept the
23 group going for a while.

24 Q. Okay. If you could turn to 172 of this
25 bankruptcy testimony. And you were asked some

1 BY MR. PRESS:

2 Q. Did you have any discussions with
3 Mr. Compton thereafter in which he told you anything
4 that Duane Woerth may have said about the scope
5 waiver?

6 A. There were discussions with Duane, myself,
7 between Duane and Bill, between Bill and myself. I'm
8 not sure if all three of us were in a conversation
9 together. But we all agreed that TWA pilots needed
10 to give up scope to get the deal done.

11 Q. You were asked -- or you testified -- I made
12 a note -- that without the American transaction, that
13 TWA's assets would have likely been sold to Carl
14 Icahn's group.

15 Did I state that correctly, "likely sold"?

16 A. I think that's correct.

17 Q. Why do you say that?

18 A. My recollection was that the only group that
19 had any real money besides American was the Icahn
20 deal. That's why we were fighting against it so
21 hard, because we felt -- the TWA MEC and myself and
22 our advisors felt the Icahn deal was real, and we
23 didn't want anything to do with it. So that's why we
24 pushed so hard for the American deal.

25 Q. Okay. And had Mr. Icahn bought the assets